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TO RUEHAD/AMEMBASSY ABU DHABI 0098
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SENSITIVE
SIPDIS
FOR AMBASSADOR OLSON FROM EEB ASSISTANT SECRETARY JOSE W. FERNANDEZ
NEA/ARP FOR BRIDGET MCGOVERN

E.O. 12958: N/A
TAGS: [ECON](#) [EFIN](#) [EINV](#) [ETRD](#) [PREL](#) [AE](#)
SUBJECT: KUDOS TO DUBAI AND ABU DHABI FOR EXCELLENT
REPORTING

REF: A. DUBAI 52
[B](#). ABU DHABI 189
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[J](#). DUBAI 516
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[L](#). ABU DHABI 1149

[1](#). (SBU) EEB appreciates Embassy Abu Dhabi's and Congen Dubai's timely, consistent, and astute reporting on the recent Dubai World debt crisis and related financial events. These cables have been extremely helpful in laying out the broader political and economic policy challenges posed by the debt crisis. The Posts have leveraged their broad-based and often high-level contacts to provide context and insight not available from external sources. Individual officers have also been very responsive in answering follow-on queries.

[2](#). (SBU) Reftels comprise a valuable stream of reporting that flagged nearly a year ago how Dubai World's subsidiary Nakheel was experiencing problems meeting its debt obligations -- long before the story was widely covered in the media. The candor provided to Post about the oversight of state-owned firms (like Dubai World) was insightful and suggests excellent cultivation of sources in the field. A full two months prior to Dubai World's "default" announcement, the Posts had effectively highlighted and framed the issue for Washington: whether Dubai's government and state-owned entities would face the music and resolve their debt problems, or rely on a bailout from Abu Dhabi.

[3](#). (U) Many thanks to the reporting team; please keep up the great work.
CLINTON